

Direct Loan Program's Interest Rates from July 1, 2002 to June 30, 2003

Federal Direct Subsidized Consolidation Loans and Federal Direct Unsubsidized Consolidation Loans

Date the loan was first disbursed between:	Status	Treasury Instrument	Add-on			Interest Rate for 7/1/2002 to 6/30/2003	Maximum Interest Rate
7/1/1994 to 6/30/1995	Repayment or forbearance	91-day T-bill	+	3.1	=	4.86%	8.25%
		1.76%					
	In school, grace, or deferment	91-day T-bill	+	3.1	=	4.86%	8.25%
		1.76%					
7/1/1995 to 6/30/1998	Repayment or forbearance	91-day T-bill	+	3.1	=	4.86%	8.25%
		1.76%					
	In school, grace, or deferment	91-day T-bill	+	2.5	=	4.26%	8.25%
		1.76%					
7/1/1998 to 9/30/1998	Repayment or forbearance	91-day T-bill	+	2.3	=	4.06%	8.25%
		1.76%					
	In school, grace, or deferment	91-day T-bill	+	1.7	=	3.46%	8.25%
		1.76%					
10/01/1998 to 01/31/1999	Repayment or forbearance	91-day T-bill	+	2.3	=	4.06%	8.25%
		1.76%					
	In school, grace, or deferment	91-day T-bill	+	2.3	=	4.06%	8.25%
		1.76%					
02/01/1999 to 06/30/2003	Repayment or forbearance	The lesser of 8.25 percent or the weighted average of the loans consolidated, rounded to the next higher 1/8 of one percent.					8.25%
	In school, grace, or deferment	The lesser of 8.25 percent or the weighted average of the loans consolidated, rounded to the next higher 1/8 of one percent.					8.25%

Note: If the treasury instrument plus the add-on equals or exceeds the maximum interest rate, then the interest rate is the maximum interest rate.